



हिन्दुस्तान कॉपर लिमिटेड

पंजीकृत एवं प्रधान कार्यालय
Registered & Head Office

HINDUSTAN COPPER LIMITED

CIN No. : L27201WB1967GOI028825

ताम्र भवन TAMRA BHAVAN
1, आशुतोष चौधरी एवेन्यू
1, Ashutosh Chowdhury Avenue,
पो.बॉ.सं. P.B. NO. 10224
कोलकाता KOLKATA- 700 019

भारत सरकार का उपक्रम

A GOVT. OF INDIA ENTERPRISE

No. HCLISCY/SE/ 2016

31.7.2019

The Sr. General Manager
Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001
BSE Scrip Code: 513599

The Vice President
Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex, Bandra(East)
Mumbai 400 051
NSE Symbol: HINDCOPPER

Sir/ Madam,

Sub: Proceedings of the 52nd Annual General Meeting of the Company held on 31.7.2019 in terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Proceedings of the 52nd Annual General Meeting of Hindustan Copper Ltd held on Wednesday, the 31st July, 2019 at Hall 6 (Auditorium at level 1), Biswa Bangla Convention Centre, Biswa Bangla Sarani, Block DG, New Town, Kolkata 700156 is enclosed.
2. The above is submitted pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for information and record please.

Thanking you,

Yours faithfully,

C S Singhi

(C S Singhi)

GM (IA) & Co Secretary

Encl. as stated

Annexure

The summary of proceedings of the 52nd Annual General Meeting (AGM) of Hindustan Copper Ltd. ('the Company') held on Wednesday, the 31st July, 2019 at Hall 6 (Auditorium at level 1), Biswa Bangla Convention Centre, Biswa Bangla Sarani, Block DG, New Town, Kolkata 700156 from 11:00 AM to 1:59 PM.

Shri Santosh Sharma, Chairman of the Company, chaired the meeting. The quorum was present throughout the meeting. 2646 Members were present at the AGM out of which 1887 Members were present in person and 759 Members were present through Proxy. The business before the meeting was taken up. A copy of Speech given by Chairman is enclosed.

The Ordinary and Special Business transacted by Members are as listed under Serial No. 1 to 14 below. Queries raised by Members during deliberations were replied.

The facility of casting votes by remote e-voting was provided to the Members from 28.7.2019 (9:00 AM) to 30.7.2019 (5:00 PM). Facility of voting by Tab machines was provided to the Members at the meeting venue.

The following Items of business as per 52nd AGM Notice dated 5.7.2019 were transacted:

Ordinary Business

1. Adoption of audited Financial Statement for the year ended 31st March, 2019 together with the Reports of the Directors, Auditors and C&AG
2. Declaration of dividend on equity shares
3. Re-appointment of Shri Santosh Sharma (DIN 07431945), who retires by rotation
4. Re-appointment of Shri Sukhen Kumar Bandyopadhyay (DIN 08173882), who retires by rotation
5. Fixation of remuneration of Auditors

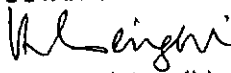
Special Business

6. Appointment of Shri Arun Kumar Shukla (DIN 03324672) as Director
7. Re-appointment of Smt Simantini Jena (DIN 07346980) as part time Non-Official (Independent) Director
8. Re-appointment of Shri Hemant Mehtani (DIN 02875561) as part time Non-Official (Independent) Director
9. Re-appointment of Shri Dileep Raj Singh Chaudhary (DIN 00269508) as part time Non-Official (Independent) Director
10. Ratification and confirmation of the remuneration to be paid to M/s Chatterjee and Co., Cost Auditor of the Company for FY 2019-20
11. Approval to offer, issue and allot equity shares through Qualified Institutional Placement method
12. Approval for constitution of QIP Committee for dealing with all matters pertaining to further issue of shares through Qualified Institutional Placement method

13. Approval for borrowing up to Rs. 2500 crore apart from temporary loans and to offer, issue and allot secured or unsecured non convertible debentures or bonds on private placement basis
14. Approval for creation of charge, mortgage or hypothecation on the assets of the Company in connection with borrowings

All the resolutions as per the Agenda of the meeting were passed by the Members by requisite majority.

INDUSTAN CENTER LIMITED


(C S SINGH)
GM & Company Secretary

Hindustan Copper Limited
Chairman's Speech
52nd Annual General Meeting
31st July, 2019 Kolkata

My Dear Shareholders, Members of the Board ,Distinguished Guest, Ladies & Gentlemen,

A Very Good Morning!

It is a great honour and privilege for me to address all of you on behalf of the Board of Directors and I am delighted to welcome all the shareholders to the 52nd Annual General Meeting of your Company. Your presence in this important meeting is the testimony of your strong support and faith in us and this inspires us to achieve newer milestones of success

The Annual Report for 2018-19 containing the 52nd AGM notice, Directors' Report, the audited statement of Accounts of the Company for the year ending 31st March, 2019 has been circulated to you. With your kind permission, I take them as read. Now, with your permission, I would like to dwell on the developments in the Indian economy and Copper sector that has bearing on the metal and mining sector at large. I also take this opportunity to share the Company's performance in the fiscal year 2018-19, and discuss plans and future growth strategy of your Company.

Economic Perspective

According to the UN reports on world economic situation and prospects for 2019, global economic growth appears robust. The world economy is projected to expand at a steady pace of 3 per cent in 2019 and 2020. Among the developing economies, the East and South Asia regions remain on a strong growth path.

However, the global economy has to face headwinds and risks that could potentially severely disrupt economic activity and inflict significant damage

on long-term development prospects. These risks include an escalation of trade disputes, an abrupt tightening of global financial conditions, and intensifying climate risks. Therefore an urgent and concrete policy action is needed by the policy makers to reduce risks to the global economy and secure the foundations for stable and sustainable economic growth.

Indian economy is projected to grow at 6.8% in the fiscal year 2018-19 and the Government in its economic survey for fiscal 2019-20 has projected the real GDP growth at 7 per cent on the back of anticipated pickup in the growth of investment and acceleration in the growth of consumption. Growth in the industry accelerated during 2018-19 on the strength of improving manufacturing and construction activity.

During recent past, the Government of India has implemented important economic policy reforms and on the backdrop of huge political mandate for the government the reform process will continue and augurs well for the prospects of high economic growth. The Government of India strategic blueprint to achieve Honorable Prime Minister's vision of India becoming a 5 trillion dollar economy by 2025 will certainly drive rapid demand growth in the metal sector in the Country.

The Industry

Global Perspective

During the year 2018, world mine production has increased by about 2.3% to the level of 20.56 million tonnes (in metal terms) and is forecasted in the 2019, it is expected to remain unchanged in 2019 and to grow by 1.9% in 2020. Global mining companies have taken up capacity enhancement projects and world Copper mining capacity is estimated to reach 25.9 million tonnes Copper in 2021, with 20% being from solvent extraction process.

World refined Copper production has increased by about 1.98% during the year 2018 and reached to a level of 24.02 million tonnes. In 2018, World growth was constrained by an unusually high frequency of smelter disruptions and temporary shutdowns for technical upgrades / modernizations. The main contributor to growth in world refined production was China due to its continued expansion of capacity. Overall growth was partially offset by 34% decline in India's output due to shutdown of some of the smelters and declines in Germany, Philippines and Poland as a consequence of maintenance shutdowns and operational issues.

A rise of 2.8% is expected in 2019, but refined Copper production is likely to be constrained in 2020 due to tightness in the availability of concentrates resulting in a limited increase of around 1.2% in world refined production.

In 2018, the World consumption of refined Copper was 24.41 million tonnes registering a growth of 2.86%. World refined Copper usage is expected to increase by around 2% in 2019 and 1.5% in 2020. Sustained growth in Copper demand is expected to continue because Copper is essential to economic activity and even more so to the modern technological society. With regards to world supply and usage account, International Copper Study Group (ICSG) has projected a deficit of about 190,000 metric tonnes in 2019, for 2020, a higher deficit of about 250,000 tonnes is foreseen as growth in refined production is expected to lag behind that of usage.

Infrastructure development in major countries such as China and India and the global trend towards cleaner energy will continue to support Copper demand. China remains the largest consumer of refined Copper in the world, consuming around 50 percent of the world demand. China is about to start its second phase of economic expansion and its economy is set to regain its

growth momentum in coming years following some needed reforms undertaken.

Indian Copper Scenario

In the fiscal year 2018-19, the Copper ore production in India was 4.12 million tonnes which is 12% higher compared to 2017-18. Refined Copper production in India during FY 2018-19 was approx. 4.57 Lakh tonnes, as compared to 7.65 Lakh tonnes in FY 2017-18. During the fiscal 2018-19 the demand of refined copper products in the Country was around 7.0 lakh tonnes and is expected to grow at 9-10% in tandem with economic growth in the country.

Infrastructure will remain a strong pivot to the demand growth of refined copper in the Country. Thrust on increasing urbanization, development of industrial corridors, smart city project, housing for all Indians by 2022, National highway development project, Rail project, Defense production policy to encourage indigenous manufacture, India energy plan 2022-100GW solar, 32GW wind, 260GW thermal & nuclear, 62 GW hydro and in addition to this there is plan for green energy corridor for transmission of renewable energy. The per capita Copper consumption in India is expected to increase from the current level of 0.5 Kg to 1 kg by 2025.

Also, the evolving market will have a substantial impact on Copper demand. The market for electric vehicles (EV) is expected to witness growth in coming years as government incentives continue around the world including India by reducing GST. It is projected that the demand for Copper due to electric vehicles is expected to increase by 1,700 kilotons by 2027.

Let me now take you briefly through the Company's performance during the year gone by.

Dear Shareholders, despite the difficult and volatile market situation your Company had to face with in fiscal year 2018-19, the Company has posted good results as compared to last year.

Achievement: Production

Dear Shareholders, during the fiscal 2018-19 the performance has improved substantially. I am sharing the major highlights :

- i. Copper ore production of 41.22 lakh tonnes during 2018-19 is the highest in last 21 years. Ore production of 25.42 lakh tonnes at Malankjhand Copper Project (MCP) during the year is the best since inception.
- ii. Metal-in-Concentrate production of 32,439 tonnes during 2018-19 is the highest in last 17 years.
- iii. Total Copper sales of 38,273 tonnes during 2018-19 is the best in last 9 years.
- iv. Major overhauling of flash furnace with technical upgradation in the slag cleaning furnace at ICC, Ghatsila completed during the year.

Achievement: Financial

During the year 2018-19 , it is heartening to inform your Company's **net turnover was highest since inception**. It was Rs 1753.29 crore as against Rs 1599.26 crore during FY 2017-18 registering an increase of 9.63%. **Earning in foreign exchange** during FY 2018-19 was Rs 842.67 crore which is **highest since inception**.

EBIDTA during 2018-19 was Rs 538.70 crore as against Rs 307.98 crore in the last year. Likewise EBDITA margin has improved significantly to 29.66 % compared to 18.44% in the last year, registering growth of 60.84%.

Profit Before Tax from continuing & discontinuing operation was Rs 230.00 crore during the year as against Rs 121.69 crore recorded during the previous year thus registering an increase of 89.00%, which highest in last 5 years. The Profit After Tax from continuing & discontinuing operation during FY 2018-19 is Rs 145.51 crore as against Rs 79.61 crore in FY 2017-18 registering an increase of around 82.80%.

Capex of your Company during the fiscal year 2018-19 was Rs 602.46 crore. During 2019-20, the expenditure towards capex will be around same level and even more.

I would also like to mention that the Company is laying more emphasis on improving profitability and margins by having flexibility in its operations and business model to face the challenges posed by the volatile market .

Dividend

Keeping in view the Capex and business expansion needs, the Board of Directors of your Company has recommended payment of dividend @ 5.05% approx. on Net Worth, i.e. Re 0.52 per share on Rs. 5/- face value for the year 2018-19, for approval of shareholders in the Annual General Meeting. The dividend is 10.4% of the equity. The outgo on this account will be Rs. 48.11 crore for dividend and Rs. 9.89 crore towards tax on distribution of dividend, aggregating to a total outgo of around Rs. 58.00 crore.

Expansion Projects

In view of vast gap between supply and demand of Copper metal in the country, the Board of HCL has approved enhancement in mine production plan of the Company from present projection of 12.4 million tonne to 20.2 million tonne per annum in next 5 years at an estimated capex of Rs.5,500 crore.

Work is under progress since August '15 to develop an underground mine at Malanjkhanda below the existing open cast mine of capacity 5.0 million tonne per annum which is also the flagship expansion project of the Company.

During 2018-19, sinking of Service Shaft 665.5 Meters and Production Shaft 693.6 Meters has been completed. The development work of North Decline

and South Decline has reached up to 2648 meters and 1695 meters respectively by end of June 2019 and has reached below the first level of the extension and I am glad to inform that the Malanjkhand underground mine is now ready to start ore production through decline route. Letter of Intent has also issued during July 2019 to the successful bidders for undertaking production activities for five years while the development of the lower level of the mine and other construction activities will be continued parallelly.

During 2019-20, it is planned to award EPC contracts for Chapri-Sidheswar, Surda and Khetri mine expansion projects and the mine operations.

Extension of mining lease period of the existing mining leases held by the Company beyond March 2020 is under active consideration by the respective State Governments in terms of the rules specified. The State Government of M.P has extended the mining lease of Malanjkhand upto 27th August 2023.

With regards to exploration activity, to establish the depth continuity of mineralization exploration, drilling from surface has been undertaken at Surda, and Rakha Mining Leases at ICC, Ghatsila Belt.

During the year 2018-19, 8039.50 meters of surface exploration drilling has been completed at Rakha Mining Lease which have established mineralization at depth. Depth exploration activities have been undertaken for 3500 meters. drilling at Surda Mining lease and currently in progress.

Waste to Wealth

The Company is in advance stage of erection of Copper Ore Tailing (COT) recovery facility of capacity 3.3 Million tonne per annum to recover the valuable metals and minerals like sand from the tailing and reduce the mass in the existing tailing storage facility (TSF) so as to extend active life of TSF and unlock the value in the waste/tailing at Malanjkhand Copper Project

(MCP). The project besides generating additional revenue to the Company will also help mitigate the risk to the environment. It is expected that the plant will be commissioned during the FY 2019-20.

Corporate Governance

Your Company is committed to comply with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance and the guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Government of India. **Your Company has achieved 'Excellent' grade for compliance of Corporate Governance for 2017-18 as per report notified by Department of Public Enterprise.**

I am glad to inform that Ministry of Mines has filled up three vacant posts of Independent Directors on the Board of Hindustan Copper on 22.7.2019. With this your Board is now duly constituted as per the provisions of SEBI Listing Regulations 2015.

Responsibility Towards Society

Your Company is committed to fulfil its social responsibilities for making positive impact on society through a planned set of initiatives as per the relevant provisions of The Companies Act, 2013 and Companies CSR Policy Rules, 2014 and DPE Guidelines.

During FY 2018-19, the Company has spent an amount of Rs Rs 208.16 Lakhs on CSR activities against the mandated amount of Rs 170.33 Lakhs.

Under Corporate Social Responsibility (CSR), your Company has taken up several projects like Promoting Preventive Health Care and Sanitation and making available safe Drinking Water Facility, Promoting Education and Employment Enhancing Vocational Skills and Livelihood Opportunities,

Promoting Environmental Sustainability, Promoting Sports and various Rural Development Projects. In this regards I also like to inform that HCL has provided financial support to two students for IIT-JEE residential coaching in collaboration with Indian Army and Center for Social Responsibility & Leadership in FY 2017-18 and FY 2018-19. Both the students were from socially backward community of Manipur state and have qualified JEE-Advance.

Skill Development

HCL spent 17 % of its CSR funds in FY 2018-19 for Skill Development which translates to Rs 35.08 Lakhs of total spending of Rs 208.16 Lakhs.

Under Kaushal Vikas Yojna, HCL has signed an MoU with National Skill Development Council (NSDC) to impart training, viz., 'Fresh Skilling' for Youth and 'Recognition of Prior Learnings' for Unskilled and Semi-skilled persons. Total 240 persons were trained of whom 60 were freshers and remaining 180 were under Recognition of Prior Learnings. 32 youths trained under 'Fresh Skilling' of this program have so far been placed in reputed companies, e.g., at Tata Motors and others. The average salary of these trainees is around Rs.8000.00 per month.

With regards to apprenticeship training, HCL has imparted apprenticeship training to 290 persons in FY 2018-19. An amount of Rs 217.84 Lakhs was spent on the training of these apprentices in FY 2018-19.

Also, I am glad to inform that number of positions of apprentices were enhanced from 290 to 520 in March 2019, i.e. an increase of 79%. The engagement of apprentices was increased as per the amended provision of the Apprentices Act, 1961 and shall be applicable in FY 2019-20.

Accolades & Recognitions

Your Company has been consistently receiving recognitions in various spheres of its activities. A few of the significant recognitions received in the field of CSR is detailed below.

- i. HCL was conferred the best CSR Impact Initiative Award at the National Awards for Excellence in CSR & Sustainability, under the category of 'Best Corporate Social Responsibility Practices' on 5th September 2018.
- ii. The Quality Circle team "Sahyog" of ICC Refinery won in Gold category during the Chapter Convention on Quality Circle (CCQC) on 11.9.2018 at Kolkata and Excellent Award in Nation Convention on Quality Circle (NCQC) at Gwalior held during 21.12.2018 to 24.12.2018.
- iii. HCL has been conferred the "Skoch Order-of-Merit" for qualifying amongst Top 30 Skill Development Projects in India. Further, it was also recognized with Skoch Award "Skill Development Gold" for Skill Development Project.
- iv. Surda mines of ICC, Ghatsila got 1st prize in Storage, Transport and use of Explosives in All India underground metal mines safety, cleanliness and silicosis awareness week 2018.
- v. HCL was awarded with Third prize for its Corporate Film (English) and Third prize for its Coffee Table Book (English) at the PRSI Nation Awards 2018 organized by Public Relation Society of India.

Industrial Relations

- a) The Industrial Relations throughout the year was peaceful and harmonious across HCL.
- b) Full co-operation and commitments were shown / extended to Management on important issues relating to HCL by Trade Unions and Officer's Association across HCL.
- c) For flood victims in the Country especially in Kerala, all employees contributed their one day salary in the Prime Minister Relief Fund.

Acknowledgement

Before I conclude, on behalf of the Board of Directors of your Company, I wish to convey earnest thanks to all the Shareholders for their continued support and trust in us. It will certainly be our endeavor to put in our best efforts for sustained growth, expansion and prosperity of the Company benefitting all stakeholders.

I take this opportunity to thank the Ministry of Mines for their unstinted support and valuable guidance. I also acknowledge the support extended by the State Governments and all other authorities and regulatory agencies.

I would like to thank my colleagues on the Board for their valuable guidance and contribution in steering the Company to higher levels of achievement.

Above all, I would like to place on record the commendable efforts and commitments shown by our most valued resource, i.e. the Human Resource of the Company as our employees have always contributed their best for the Company to set new benchmarks.

On behalf of the Board, I also take the opportunity to acknowledge the efforts, commitment and constructive cooperation of all the employees, Trade Unions ,stakeholders in the operations of the Company.

I thank you all once again and offer my best wishes for a very joyous festive season ahead.

Kolkata
31st July, 2019

Santosh Sharma
Chairman and Managing Director

(This does not purport to be a record of the proceedings of the Annual General Meeting)